



## IRS Special Edition Tax Tip 2014-21: Still Time to Act to Avoid Surprises at Tax-Time

Internal Revenue Service (IRS) sent this bulletin at 10/23/2014 02:43 PM EDT



IRS Tax Tips

October 23, 2014

### Useful Links:

[IRS.gov Home](#)

[1040 Central](#)

[Help For Hurricane Victims](#)

### News Essentials

[What's Hot](#)

[News Releases](#)

[IRS - The Basics](#)

[IRS Guidance](#)

[Media Contacts](#)

[Facts & Figures](#)

[Problem Alerts](#)

[Around The Nation](#)

[e-News Subscriptions](#)

### The Newsroom Topics

[Multimedia Center](#)

[Noticias en Español](#)

[Radio PSAs](#)

**Issue Number: IRS Special Edition Tax Tip 2014-21**

### Inside This Issue

## Still Time to Act to Avoid Surprises at Tax-Time

Even though only a few months remain in 2014, you still have time to act so you aren't surprised at tax-time next year. You should take steps now to avoid owing more taxes or getting a larger refund than you expect. Here are some actions you can take to bring the taxes you pay in advance closer to what you'll owe when you file your tax return:

- **Adjust your withholding.** If you're an employee and you think that your tax withholding will fall short of your total 2014 tax liability, you may be able to avoid an unexpected tax bill by increasing your withholding. If you are having too much tax withheld, you may get a larger refund than you expect. In either case, you can complete a new [Form W-4](#), Employee's Withholding Allowance Certificate and give it to your employer. Enter the added amount you want withheld from each paycheck until the end of the year on Line 6 of the W-4 form. You usually can have less tax withheld by increasing your withholding allowances on line 5. Use the [IRS Withholding Calculator](#) tool on IRS.gov to help you fill out the form.
- **Report changes in circumstances.** If you

[Tax Scams](#)

[The Tax Gap](#)

[Fact Sheets](#)

[IRS Tax Tips](#)

[Armed Forces](#)

[Latest News Home](#)

---

**IRS Resources**

[Compliance & Enforcement News](#)

[Contact My Local Office](#)

[Filing Options](#)

[Forms & Pubs](#)

[Frequently Asked Questions](#)

[News](#)

[Taxpayer Advocate](#)

[Where to File](#)

[IRS Social Media](#)

---

purchase health insurance coverage through the Health Insurance Marketplace, you may receive advance payments of the [premium tax credit](#) in 2014. It is important that you [report changes in circumstances](#) to your Marketplace so you get the proper type and amount of premium assistance. Some of the changes that you should report include changes in your income, employment, or family size. Advance credit payments help you pay for the insurance you buy through the Marketplace. Reporting changes will help you avoid getting too much or too little premium assistance in advance.

- **Change taxes with life events.** You may need to change the taxes you pay when [certain life events](#) take place. A change in your marital status or the birth of a child can change the amount of taxes you owe. When they happen you can submit a new Form W-4 at work or change your estimated tax payment.
- **Be accurate on your W-4.** When you start a new job you fill out a [Form W-4](#). It's important for you to accurately complete the form. For example, special rules apply if you work two jobs or you claim tax credits on your tax return. Your employer will use the form to figure the amount of federal income tax to [withhold](#) from your pay.
- **Pay estimated tax if required.** If you get income that's not subject to withholding you may need to pay [estimated tax](#). This may include income such as self-employment, interest, or rent. If you expect to owe a thousand dollars or more in tax, and meet other conditions, you may need to pay this tax. You normally pay the tax four times a year. Use [Form 1040-ES](#), Estimated Tax for Individuals, to figure and pay the tax.

For more see [Publication 505](#), Tax Withholding and Estimated Tax. You can get it and IRS forms on IRS.gov, or call 800-TAX-FORM (800-829-3676) to get them by mail.

If you found this Tax Tip helpful, please share it through your social media platforms. A great way to get tax information is to use [IRS Social Media](#) and subscribe to [IRS Tax Tips](#) or any of our [e-news subscriptions](#).

**Additional IRS Resources:**

- Publication 5152: Report changes to the Marketplace as they happen [English](#) | [Spanish](#)

## IRS YouTube Videos:

- *IRS Commissioner: Premium Tax Credit-Changes in Circumstances* – [English](#) | [Spanish](#)
- *Premium Tax Credit* – [English](#) | [Spanish](#) | [ASL](#)
- *IRS Withholding Calculator* – [English](#) | [Spanish](#) | [ASL](#)

## IRS Podcasts:

- *Premium Tax Credit Changes in Circumstances* – [English](#) | [Spanish](#)
- *Premium Tax Credit* – [English](#) | [Spanish](#)
- *IRS Withholding Calculator* – [English](#) | [Spanish](#)

[Back to Top](#)

---

Thank you for subscribing to IRS Tax Tips, an IRS e-mail service. For more information on federal taxes please visit [IRS.gov](http://IRS.gov).

This message was distributed automatically from the IRS Tax Tips mailing list. **Please Do Not Reply To This Message.**

Powered by  govDELIVERY.